

Congress of the United States House of Representatives

Washington, DC 20515-0529

November 1, 2017

Christopher S. Ripley
Chief Executive Officer
Sinclair Broadcast Group, Inc.
10706 Beaver Dam Road
Hunt Valley, Maryland 21030

Dear Mr. Ripley,

We write to you in reference to the proposed merger between Sinclair Broadcast Group and Tribune Media currently under review by the Federal Communications Commission ("FCC") and the Department of Justice ("DOJ").

As Members of Congress representing diverse districts all across the United States of America, we have a number of concerns with the proposed merger, both in terms of whether the merger is in the public interest and whether it would facilitate anticompetitive practices.

Should the merger go through, the combined company would reach 72% of American homes, which is well above the cap that Congress imposed in order to protect viewpoint diversity and localism. Furthermore, as currently structured, the merger would run afoul of FCC's local television ownership rules. It is troubling that, given the complexity of this proposed transaction, its potential historic reach, and the transaction's failure to comply with the FCC's media ownership rules, that you expect the merger to go through by the end of the year, according to your comments at the Goldman Sachs Annual Communacopia Conference.

This merger would create the largest local broadcasting entity in the United States. As such, we would like to review additional information about why Sinclair believes this merger would be in the public interest, as well as the impact it would have on the broader media landscape. We would appreciate answers to the questions below:

Questions regarding the impact of the transaction on local news operations:

• What percentage of station staff does Sinclair plan to keep for each local station it acquires, and what percentage would it replace with Sinclair-hired staff?

- Would Sinclair keep local news directors and local news anchors in their positions if the merger is approved?
- How would Sinclair ensure that local news is respectful and responsive to local concerns?
- How many additional resources will Sinclair commit to providing local news operations over and above what Tribune has already planned for the stations it currently owns, not including any monies spent on centralized news operations not specific to each station?
- Provide documentation and data detailing how Sinclair has improved local news and programming for stations it has already acquired
- How would Sinclair ensure that local sports programming continues to reflect the community?
- What degree of involvement would Sinclair executives in Baltimore have in deciding what local stories are reported and how they are reported?
- Would Sinclair continue to push must-run segments to stations?
- What percentage of local content would Sinclair plan on preserving, and what percentage would it replace with one-size-fits-all content that is distributed nationally?
- Sinclair has dismissed concerns about must-run segments and heavily slanted political commentary by stating that political commentaries average less than 1% of weekly programming, and "must-run" programming makes up about 2.5% of news minutes per week. If it is Sinclair's view that such programming does not deserve analysis because of the limited weekly minutes, would Sinclair commit to not increasing the aforementioned programming percentages?

Questions regarding the transaction's potential consumer and economic impact:

- In a joint filing submitted to the FCC on August 22, Sinclair and Tribune argued the claims that the transaction will lead to higher retransmission consent fees (and in turn, prices for consumers) are not "relevant to the public interest determination the Commission must make." Can you explain why evidence that a merger will result in higher prices to consumers is not relevant to the Commission's public interest analysis?
- Media ownership rules are designed to encourage competition within a media market, which in turn seeks to prevent one company from exercising too much influence and drive up prices. As part of the merger would Sinclair commit that they would not use its increased market power to extract a higher fee from multichannel video programming distributors (MVPDs)?
- Prices for MVPD subscribers have been shown to increase by an average of 22% any time one entity negotiates for two local broadcast stations rather than one. In how many media markets would Sinclair be negotiating for more than one station, should the merger be approved?

Other questions:

Finally, there have been concerns with potential inappropriate coordination between the Chairman Pai's FCC, the Trump Administration and Sinclair, as detailed in the letter sent by Ranking Members Pallone, Doyle and DeGette to Chairman Pai on August 14.

• Has Sinclair corresponded with FCC officials using non-governmental/personal email addresses and/or messenger applications or social media?

We appreciate your attention to this letter, and hope to receive a response by November 10, 2017.

Sincerely,

TONY CARDENAS

Member of Congress

MICHAEL DOYLE

Member of Congress

BEN RAY LUJAN

Member of Congress

CEDRIC L. RICHMOND

Member of Congress

VICENTE GONZALEZ

Member of Congress

YVETTE D. CLARKE
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